LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m., on TUESDAY, DECEMBER 10, 2002, upon the application of KELLY OPERATING COMPANY, LTD.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of an Order pertaining to the following matters relating to the **Hosston A Zone and the Hosston B Zone**, in the Sibley Field, Webster Parish, Louisiana.

- 1. To authorize applicant to drill, designate and utilize two (2) additional alternate unit wells for HOSS A SUK and for HOSS B SUK at the locations shown on the plats submitted with the application, in exception to the well location provisions of Office of Conservation Order No. 148-J, effective February 1, 1972.
- To find that each of the proposed additional alternate unit wells is necessary to efficiently and
 economically drain a portion of the Hosston A and B Zones underlying HOSS A & B
 SUK which cannot be efficiently and economically drained by any existing well on such
 unit.
- 3. To approve the downhole combination of production from the Hosston A Zone and the Hosston B Zone in the wellbores of the proposed additional alternate unit wells, and in the wellbore of any existing or future well location on these unit in which the ownership interests in the Hosston A and B Zones is identical.
- 4. To consider such other matters as may be pertinent.

The Hosston A and B Zones, in the Sibley Field, Webster Parish, Louisiana, were defined in Office of Conservation Order No. 148-J, effective February 1, 1972.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana or may be found at the following site:

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, La 11/19/02;11/22/02 S dpe

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION - ENGINEERING DIVISION AT P. O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.